

## **Government to Reinstate Bandar Malaysia Project**

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### **MEDIA STATEMENT**

After due deliberation by the Cabinet on 17 April 2019, the Government has decided to reinstate the Bandar Malaysia Project that was abruptly terminated in May 2017.

Bandar Malaysia will have significant impact on Malaysia's economy and will serve as a global hub to further attract high impact global finance, technology and entrepreneurial firms.

The project is expected to generate tremendous impact on urban development for Malaysia drawing foreign direct investments and generating an expected gross development value (GDV) of RM140 billion.

It will draw major international financial institutions, multi-national corporations (MNCs) and Fortune 500 Companies to locate their regional

headquarters in Bandar Malaysia. In addition, tech giants such as Alibaba and Huawei have also manifested interest to establish their ICT centres.

In line with the Government's policy of ensuring that such a development will be people-centric and will add substantive value to the economy, the project will include the construction of a People's Park, 10,000 units of affordable homes, Bumiputra participation throughout the project, and priority for the use of local content in the construction process.

These measures will no doubt add further value to the economy via substantive job creation, acceleration of retail and institutional demand for commercial and residential space, moving SMEs up the value chain and stimulating demand for Malaysian produced construction materials, technology and home-grown talent in advancing sustainable urban growth.

The Government welcomes the commitment by IWH-CREC to make an advance payment of RM500 million in addition to the original deposit sum of RM741 million to be paid within sixty (60) days from the date that the Government officially reinstates the project.

Bandar Malaysia will be a trailblazer in urban planning, being a transit-oriented development (TOD) that will optimise the amount of residential, business and leisure space and contribute towards a greener environment by facilitating and incentivising the use of public transport over private vehicles.

In an international open tender exercise participated by over 40 world renowned companies, including from Japan, Australia and the Middle East, the JV to take up 60% of Bandar Malaysia Sdn. Bhd. was awarded to a consortium, IWH- CREC Sdn. Bhd. (ICSB).

Like the ECRL, the Bandar Malaysia project should be viewed within the larger context of fostering and cementing long-term bilateral relations between Malaysia and China while ensuring that such projects add maximum economic value to the country. These two major projects will also be a significant contribution to the Belt and Road Initiative which Malaysia expects to be able to tap on and exploit its multiplier effects along the value chain.

It should be stressed that the principle of integrity, accountability and transparency will remain paramount at all times. No corruption or any form of shady deals will be tolerated. This approach will prevent leakages, questionable dealings and abuse of power and will translate into massive savings for the government.

**PRIME MINISTER'S OFFICE PUTRAJAYA**

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